7 PRINCIPLES FOR EFFECTIVE PROCESS MANAGEMENT

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for ASQ Central North Carolina Section 1109
How to think about process

Apple is a very disciplined company, and we have great processes. But that's not what it's about. Process makes you more efficient.

Steve Jobs
Definition of Process Management

- Design, Maintenance, and Improvement
- Linked work activities
- With purpose of producing a product or service for a customer or user

Using **Process Management**, you will achieve improved **customer satisfaction** and business results.
Why Manage Processes?

Fundamentals of Process Management

- The purpose of a company is to create customer value
- Customer value is created through processes
- Business success results from superior process performance
- Superior process performance is achieved by having:
  - Superior process design
  - The right people
  - The right environment
Processes and Tasks
Functional Management Systems

Functional objectives are common in a vertical, hierarchical organization.
Process Management Systems

A process typically crosses departments or functions until it reaches the customer.
7 Principles for Effective Process Management

1. Identify key processes
2. Select process owners
3. Identify needs & set requirements
4. Define & document process
5. Select key metrics
6. Implement process controls
7. Evaluate & improve the process
Identify/Prioritize Key Processes

**Tasks**

- Identify Key Processes in Your Organization
- Distinguish Core and Support processes
- Link processes to sub-processes
- Prioritize processes for process management efforts

When you can **name** the process, you can **manage** the process.
Identify/Prioritize Business Processes

PRINCIPLE 1

Organizational Mission

Products and Services

Organizational Processes
Process Hierarchy

Macro Process

Sub-Processes
Key Process Types

**Core Processes**
- Linked to mission

**Key Support Services and Processes**
- Internal support
Select Process Owners

**Tasks**

- Define the roles and competencies of process owners
- Identify and name process owners in your organization

**Process owners** achieve performance excellence by managing **end-to-end** processes.
Process Owner’s Major Roles

- Design
- Coaching
- Advocacy

“The process owner is a linker, a facilitator, an enabler of those who actually do the work. It would be more accurate to say that he reports to the performers – since he is on call, at their disposal – than to say that they work for him.”

from *Beyond Reengineering*, 1996, Michael Hammer
Identify & Set Process Requirements

**Tasks**

- Identify key customers and customer needs
- Determine key process requirements aligned to customer needs
- Document the requirements for key processes

When you **know the target**, then you can hit the target.
Identify & Set Process Requirements

Customer/Stakeholder Needs

Organization Goals

Process Aim (purpose)

Process Requirements
Define/Document Process

**Tasks**

- Map key processes
- Develop appropriate documentation for key processes

Well defined processes are easier to manage to get the desired results.
Select Key Process Measurements/Metrics

**Tasks**

- Define key process measurements
- Develop measurement systems for key processes

When you measure the key inputs, you get better outputs.
Select Key Process Measurements/Metrics

The basis for determining how well you are meeting requirements
Implement Process Controls

Tasks
- Develop process control plans for key processes
- Institutionalize process control plans to make smart operational decisions

When you control the process, you control the results.
How to Control
Evaluate and Improve the Process

**Tasks**

- Define systematic improvement methods for your organization
- Train leaders and the workforce to improve processes
- Use formal evaluation and improvement methods to achieve better process and organizational results

*In the process-centered organization, this program of process improvement is not a secondary and peripheral activity. It is the essence of management.*


**PRINCIPLE 7**

*Systematic improvements are sustainable improvements.*
Systematic Process Improvement Methods
About Ralston Excellence

**Trusted advisors for operational and performance excellence**

We provide high impact coaching and training services to improve organizational performance. Services include:

- Business Process Management Training and Coaching
- Lean Six Sigma Training and Coaching
- Process Improvement Project Facilitation and Coaching
- Performance Excellence Assessments

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